

Agency Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	129.71	1.00	6.00	136.71	1.00	7.00	137.71	137.71
Personal Services	4,531,195	128,517	183,023	4,842,735	113,925	202,373	4,847,493	9,690,228
Operating Expenses	1,656,811	435,254	498,039	2,590,104	402,343	424,359	2,483,513	5,073,617
Equipment	215,082	221,319	71,103	507,504	91,945	59,732	366,759	874,263
Benefits & Claims	0	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0	0
Total Costs	\$6,403,088	\$785,090	\$752,165	\$7,940,343	\$608,213	\$686,464	\$7,697,765	\$15,638,108
General Fund	479,946	171,128	32,596	683,670	165,845	42,744	688,535	1,372,205
State/Other Special	5,520,811	551,644	463,482	6,535,937	384,228	377,367	6,282,406	12,818,343
Federal Special	402,331	62,318	256,087	720,736	58,139	266,353	726,823	1,447,559
Total Funds	\$6,403,088	\$785,090	\$752,165	\$7,940,343	\$608,212	\$686,464	\$7,697,764	\$15,638,107

Agency Description

The Department of Livestock is responsible for controlling and eradicating animal diseases, preventing the transmission of animal diseases to humans, protecting the livestock industry from theft and predatory animals, and regulating the milk industry relative to producer pricing. The department, which is provided for in 2-15-3101, MCA, consists of the Board of Livestock and its appointed executive officer; the Livestock Crimestoppers' Commission; and the Beef Research and Marketing Committee. The department is organized into five divisions: Animal Health, Centralized Services, Brand-Enforcement, Diagnostic Laboratory, and Meat, Milk, and Egg Inspection. The Board of Livestock, which is the statutory head of the department of Livestock, consists of seven members appointed by the Governor and confirmed by the Senate to serve six-year terms.

Summary of Legislative Action

The legislature added 6.0 FTE in fiscal 2000 and an additional 1.0 FTE in fiscal 2001, and \$1.4 million over the biennium in present law adjustments (of which 24 percent is in statewide adjustments) and \$1.4 million over the biennium in new proposals. The increase in general fund in fiscal 2000 over the fiscal 1998 level is 42.4 percent, while the increase in total funding is 24.0 percent.

New proposals and present law adjustments in the Meat and Poultry Inspection Program account for about half of the increase in general fund. Another significant cause of the increase is that the legislature funded the Centralized Services and Diagnostic Laboratory programs with significantly more general fund, in total and as a percentage, than actual fiscal 1998 expenditures. The legislature used a contingency method of funding based upon an assumption of the percentage of the operations in those functions that had historically been more geared towards overall public health and safety as opposed to specifically producer-based services (and consequently funded with producer fees).

The primary causes of the over 10 percent increase in present law adjustments each year are: 1) funding of all vacancies in fiscal 1998 (minus a 3 percent vacancy savings rate), full funding of the 1999 biennium pay plan, and funding for pay upgrades for brand inspectors; 2) an increase in aerial predator control; and 3) increases in equipment, (including leased vehicles).

The increases in FTE were included in several programs of the department for a variety of purposes, including new brand re-recording positions, new veterinarian and biologist positions, additional clerical support, and a public information officer. The major new proposal increase is in the Disease Control Program, where over \$0.8 million of state special revenue was added for additional bison control activities.

Other Legislation

Senate Bill 361 - SB 361 generally changes the current definitions and terminology relating to "game farm animals" to "alternative livestock". The act also doubles the annual license renewal fee (fees range from \$100 to \$400 depending on ranch size), imposes a per-acre fee on all alternative livestock applications, and a set fee for importation. The act also

requires the adoption of a programmatic review process to assess environmental impacts associated with a new alternative livestock ranch. Funds totaling \$67,000 were added to the Department of Agriculture and \$134,000 was added to the Department of Fish, Wildlife, and Parks for associated expenses.

Agency Budget Comparison								
Budget Item	Base Budget Fiscal 1998	Executive Budget Fiscal 2000	Legislative Budget Fiscal 2000	Leg – Exec. Difference Fiscal 2000	Executive Budget Fiscal 2001	Legislative Budget Fiscal 2001	Leg – Exec. Difference Fiscal 2001	Biennium Difference Fiscal 00-01
FTE	129.71	137.71	136.71		139.71	137.71		
Personal Services	4,531,195	4,884,433	4,842,735	(41,698)	4,920,514	4,847,493	(73,021)	(114,719)
Operating Expenses	1,656,811	2,532,053	2,590,104	58,051	2,492,352	2,483,513	(8,839)	49,212
Equipment	215,082	507,504	507,504	0	367,630	366,759	(871)	(871)
Benefits & Claims	0	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0	0
Total Costs	\$6,403,088	\$7,923,990	\$7,940,343	\$16,353	\$7,780,496	\$7,697,765	(\$82,731)	(\$66,378)
General Fund	479,946	669,596	683,670	14,074	674,457	688,535	14,078	28,152
State/Other Special	5,520,811	6,743,354	6,535,937	(207,417)	6,588,908	6,282,406	(306,502)	(513,919)
Federal Special	402,331	511,040	720,736	209,696	517,130	726,823	209,693	419,389
Total Funds	\$6,403,088	\$7,923,990	\$7,940,343	\$16,353	\$7,780,495	\$7,697,764	(\$82,731)	(\$66,378)

Executive Budget Comparison

The legislature made the following changes to the budget proposed by the executive. The legislature: 1) did not accept a \$32,487 state special revenue request for a molecular technologist; 2) approved a funding switch from state special revenue to federal special revenue for bison control, and did not fund an associated 1.00 FTE requested but withdrawn by the executive (\$533,087 less state special revenue and \$450,000 more federal revenue); 3) accepted a funding switch, which replaced federal funds with general fund totaling \$29,600; 4) reduced the rates the Department of Administration could charge agencies for fixed costs associated with data network services and building rent (the reduction over the biennium was \$12,399); 5) did not approve \$1,772 state special revenue for a leased vehicle for the Executive Office; and 6) reduced the request for a leased vehicle by \$3,608 state special revenue. The legislature also added \$67,000 state special revenue over the biennium for the department's share of costs associated with environmental impact statement review for alternative livestock operations.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	11.00	.00	2.00	13.00	.00	2.00	13.00	13.00
Personal Services	467,077	10,255	61,904	539,236	7,445	61,480	536,002	1,075,238
Operating Expenses	297,172	161,746	0	458,918	135,076	0	432,248	891,166
Equipment	45,661	46,942	5,055	97,658	34,092	0	79,753	177,411
Debt Service	0	0	0	0	0	0	0	0
Total Costs	\$809,910	\$218,943	\$66,959	\$1,095,812	\$176,613	\$61,480	\$1,048,003	\$2,143,815
General Fund	17,831	80,358	2,996	101,185	76,465	2,744	97,040	198,225
State/Other Special	752,093	131,739	62,476	946,308	93,317	57,383	902,793	1,849,101
Federal Special	39,986	6,846	1,487	48,319	6,831	1,353	48,170	96,489
Total Funds	\$809,910	\$218,943	\$66,959	\$1,095,812	\$176,613	\$61,480	\$1,048,003	\$2,143,815

Program Description

The Centralized Services Division is responsible for budgeting, accounting, payroll, personnel, legal services, purchasing, administrative, data processing, and general services functions for the department. The division also provides the overall management of the Milk Control Bureau. The Livestock Crimestoppers' Commission and the Beef Research and Marketing Committee are administratively attached. The staff attorney in this division provides agency legal services to the department.

Funding

The legislature funded the program for the 2001 biennium with about 9 percent general fund and 86 percent state special revenue from the livestock per capita accounts. The Meat and Poultry Inspection Program's accounting costs are financed with federal funds.

Present Law Adjustments		Fiscal 2000	Fiscal 2000	Fiscal 2000	Fiscal 2001	Fiscal 2001	Fiscal 2001
Present Law Description		FTE	General Fund	Total Funds	FTE	General Fund	Total Funds
Statewide Present Law							
Personal Services				(3,323)			(6,133)
Inflation/Deflation				2,492			2,159
Fixed Costs				128,341			102,004
Total Statewide Adjustments				\$127,510			\$98,030
Present Law Adjustments							
2	Photocopier Lease	.00	0	7,200	.00	0	7,200
11	Data Processing Equipment	.00	5,164	46,942	.00	3,750	34,092
27	In-State Travel Increase	.00	1,085	9,862	.00	1,085	9,862
28	Out-of-State Travel	.00	2,136	19,420	.00	2,136	19,420
29	Board Per Diem	.00	0	8,818	.00	0	8,818
46	Funding- Central Services	.00	82,013	0	.00	79,526	0
49	Data Processing Retention	.00	428	4,760	.00	428	4,760
50	Rate Reduction	.00	(557)	(5,569)	.00	(557)	(5,569)
Total PL Adjustments		.00	\$90,269	\$91,433	.00	\$86,368	\$78,583
Present Law Adjustments Total				\$218,943			\$176,613

Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 2 - Photocopier Lease - The legislature approved a state special revenue appropriation increase to lease rather than

replace a five-year old copy machine. This increase is funded from the animal health account.

DP 11 - Data Processing Equipment - The legislature provided funding authority to replace 16 computers in fiscal 2000 and 15 computers in fiscal 2001. The agency has adopted a five-year replacement schedule. Additional computer related expenditures include: 1) computer upgrades to 64MB RAM, which supports the new state standard desktop operating system for Oracle; 2) CDROM drives; 3) modems, and 4) a file server.

DP 27 - In-State Travel Increase - The legislature increased funding authority for in-state travel to allow the personnel officer to attend job interviews and provide training on personnel programs throughout the state. Also, the funding will allow the public information officer to travel to policy and media meetings around the state. The legislature funded this adjustment with \$1,085 general fund per year, \$8,284 livestock per capita fees per year, and \$493 per year federal funds from the meat and poultry inspection account.

DP 28 - Out-of-State Travel - This adjustment provides travel funds for board members, the Executive Officer, the administrator, and the Milk Control Bureau Chief. There are nine scheduled meetings that would be attended and three unscheduled meetings, which the board or the Executive Officer attends. The scheduled meetings would include: 1) National Cattlemen's Beef Association; 2) International Livestock Identification Association; 3) American Sheep Industry Association; 4) Western States Animal Health Association; 5) National Association of State Department of Agriculture; 6) International Association of Milk Control Agencies; 7) Data Processing Specialized Training; 8) International Association of Milk Control Agencies; and 9) the executive officers meeting.

The legislature funds this travel annually with \$2,136 general fund, \$16,313 livestock per capita fees, and \$971 federal funds from the meat and poultry inspection account.

DP 29 - Board Per Diem - This adjustment funds per diem costs for the Board of Livestock. The board represents the livestock industry in the State of Montana and directs the Department of Livestock. The board consists of seven members and holds board meetings from 8 to 10 times a year. Board members also attend numerous livestock related meetings throughout the year. The legislature funded this adjustment entirely with livestock per capita fees.

DP 46 - Funding- Central Services - The legislature revised the funding for the program and provided additional general fund over the fiscal 1998 level. The legislature provided general fund at a level that provides for the contingency that operations in the 2001 biennium will include more activities that are better defined as in the general interest of public health and safety and therefore cannot be charged to specific providers through fees.

DP 49 - Data Processing Retention - This adjustment funds a pay exception for a grade 15 programmer analyst. The legislature funded this increase annually with \$428 general fund, \$4,094 inspection and control fees, and \$238 from the meat and poultry account.

DP 50 - Rate Reduction - The legislature reduced the building rental rates and the rate charged by the Information Services Division (ISD) for data network services.

New Proposals		Fiscal 2000	Fiscal 2000	Fiscal 2000	Fiscal 2001	Fiscal 2001
Description		FTE	General Fund	Total Funds	FTE	General Fund
3	Public Information Officer	1.00	0	37,192	1.00	0
18	Data Processing Information Special	1.00	2,996	29,767	1.00	2,744
Total New Proposals		2.00	\$2,996	\$66,959	2.00	\$2,744
						\$61,480

New Proposals

DP 3 - Public Information Officer - The legislature approved new state special revenue appropriation authority to add a 1.0 FTE (grade 15) public information officer. The public information officer will: 1) respond to the public scrutiny the agency has received because of its effort to control the spread of brucellosis from Yellowstone National Park bison to the

Montana livestock industry; 2) respond to communication requests from the public, federal government, Governor's offices, other state agencies, and other states; and 3) develop, implement, and monitor a comprehensive agency public information program. Additionally, the incumbent will monitor the effectiveness of information and public relations programs, review and evaluate daily communications products, and identify the need for and develop communication training programs.

The legislature funded this new proposal entirely from the animal health account, which receives most of its revenues from laboratory testing fees and animal health license fees from meat depots and packing houses.

DP 18 - Data Processing Information Special - The legislature added new appropriation authority to fund a 1.0 FTE (grade 12) information specialist position. The data processing workload has increased due to: 1) increased demand for software and hardware support because of more network software applications throughout the department; 2) year 2000 modifications requirements; 3) implementation of a permanent set of applications from MT PRRIME; 4) increased demand for a support presence at the Diagnostic Lab; and 5) all the re-record systems, which need to be updated and prepared for the 2001 re-record of all brands.

The legislature funded this new proposal with: 1) \$2,996 general fund in fiscal 2000 and \$2,744 in fiscal 2001; 2) \$25,284 state special revenue from livestock per capita fees in fiscal 2000 and \$23,179 in fiscal 2001; and 3) \$1,487 federal funds from the meat and poultry account in fiscal 2000 and \$1,353 in fiscal 2001.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	20.00	.00	1.00	21.00	.00	1.00	21.00	21.00
Personal Services	752,421	29,879	31,809	814,109	32,567	31,592	816,580	1,630,689
Operating Expenses	310,237	53,445	1,130	364,812	53,445	1,130	364,812	729,624
Equipment	3,653	35,020	871	39,544	21,305	0	24,958	64,502
Total Costs	\$1,066,311	\$118,344	\$33,810	\$1,218,465	\$107,317	\$32,722	\$1,206,350	\$2,424,815
General Fund	130,225	25,701	0	155,926	28,477	0	158,702	314,628
State/Other Special	936,086	92,643	33,810	1,062,539	78,840	32,722	1,047,648	2,110,187
Total Funds	\$1,066,311	\$118,344	\$33,810	\$1,218,465	\$107,317	\$32,722	\$1,206,350	\$2,424,815

Program Description

The Diagnostic Laboratory Program provides livestock laboratory diagnostic support for the Disease Control Program, Milk and Egg Program, and livestock producers. Testing is done for zoonotic diseases and on dairy products to protect the health of Montana citizens. Laboratory testing services are conducted upon request to assist animal owners, veterinarians, the Department of Fish, Wildlife and Parks and other agencies in protecting the health of animals and wildlife.

Funding

The legislature funded this program with 13 percent general fund. State special revenue provides the remaining 87 percent from two accounts. The Livestock Per Capita account provides the larger share of state special revenue. This account receives revenue from the taxation of livestock and from interest earnings. The Animal Health account receives revenue from the milk tax, inspection and testing fees, interest earnings, and various state and federal cost recoveries for services provided.

Present Law Adjustments							
Present Law Description		Fiscal 2000 FTE	Fiscal 2000 General Fund	Fiscal 2000 Total Funds	Fiscal 2001 FTE	Fiscal 2001 General Fund	Fiscal 2001 Total Funds
Statewide Present Law							
Personal Services				20,915			18,111
Inflation/Deflation				239			239
Fixed Costs				0			0
Total Statewide Adjustments				\$21,154			\$18,350
Present Law Adjustments							
12	Lab Equipment	.00	0	35,020	.00	0	21,305
30	Medical Supply Cost Increase	.00	0	22,817	.00	0	22,817
31	Out-of-state Travel	.00	0	6,947	.00	0	6,947
32	Workload Increase	.00	0	16,403	.00	0	16,403
33	Lab Utilities	.00	0	7,039	.00	0	7,039
45	Lab Veterinarian Retention	.00	1,165	8,964	.00	1,879	14,456
47	Funding - Diagnostic Lab	.00	21,967	0	.00	24,368	0
Total PL Adjustments		.00	\$23,132	\$97,190	.00	\$26,247	\$88,967
Present Law Adjustments Total				\$118,344			\$107,317

Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 12 - Lab Equipment - The legislature increased appropriation authority to replace laboratory equipment. The

following equipment would be replaced in fiscal 2000: 1) centrifuge for virology; 2) tissue processor for histopathology; 3) coagulation analyzer; 4) cytometer for clinical pathology; and 5) peristaltic dispenser pump for bacteriology and milk analysis. The following equipment would be replaced in fiscal 2001: 1) a centrifuge for serology; and 2) a thermometry calibration system. This appropriation also includes a new freezer for the milk laboratory in fiscal 2001.

DP 30 - Medical Supply Cost Increase - The legislature added appropriation authority to purchase medical supplies, which represents an annual increase of \$22,817 over the base expenditure of \$131,104. This adjustment is funded from the livestock per capita account.

DP 31 - Out-of-state Travel - The legislature funded an appropriation authority increase for out-of-state travel. The appropriation increase would fund out-of-state travel to the following events (the number of attendees are in parenthesis): 1) Western Conference Veterinary Diagnostic Pathologists (1); 2) American College of Veterinary Pathologists (1); 3) Intermountain Veterinary Medical Association (1); 4) American Association of Veterinary Laboratory Diagnosticians (1); 5) Intermountain States Seminar - Medical Technology (2); and 6) Interstate Milk Shippers Conference (1). The legislature funds this increase from the livestock per capita account.

DP 32 - Workload Increase - This adjustment funds workload increases at the diagnostic laboratory. The agency states that the workload at the diagnostic laboratory is measured by what is termed "accessions". Each accession requires about ten tests by the lab. In fiscal 1998, the accessions increased to 23,525, an increase of 17.4 percent. The legislature funds this adjustment from the livestock per capita account.

DP 33 - Lab Utilities - This adjustment funds a utility cost increase at the diagnostic laboratory. The base year expenditures for utility costs were \$30,896. This adjustment represents a 22.7 percent increase for each year of the biennium. The legislature funds this increase from the livestock per capita account.

DP 45 - Lab Veterinarian Retention - The legislature approved an appropriation authority increase based on a mixture of program funding to provide pay exceptions for four veterinarian positions. According to the agency, it has had difficulty with recruitment and has had to hire veterinarians above entry level salary for their assigned grade. In May 1998, the Department of Livestock conducted a salary survey of veterinarians. The Central States and American Association of Accredited Veterinary Diagnostic Laboratories were surveyed. The survey indicates the department falls behind the market salary for these positions. The legislature funds this adjustment with \$1,165 general fund in fiscal 2000 and \$1,879 in fiscal 2001, and with \$7,799 from the livestock per capita account in fiscal 2000 and \$12,577 in fiscal 2001.

DP 47 - Funding - Diagnostic Lab - The legislature approved a funding switch to increase appropriation authority for general fund and decrease appropriation authority for state special revenue. The adjustment maintains general fund appropriation authority at historical levels. This present law adjustment increases general fund authority by about \$45,000 over the biennium. It reduces the livestock per capita authority by about \$538,000 and increases the animal health account authority by about \$493,000. The net state special revenue reduction is equal to the general fund increase, which accounts for the 0 in the "total funds" column of the table.

New Proposals							
Description		Fiscal 2000 FTE	Fiscal 2000 General Fund	Fiscal 2000 Total Funds	Fiscal 2001 FTE	Fiscal 2001 General Fund	Fiscal 2001 Total Funds
13	Microbiologist	1.00	0	32,680	1.00	0	31,592
25	Leased Sedan	.00	0	1,130	.00	0	1,130
Total New Proposals		1.00	\$0	\$33,810	1.00	\$0	\$32,722

New Proposals

DP 13 - Microbiologist - The legislature added new state special revenue appropriation authority to fund a 1.0 FTE microbiologist position. The incumbent will not only serve as a microbiologist for analysis, but also as the laboratory evaluation officer for industry laboratories throughout the state. The legislature also funds office equipment for this position in fiscal year 2000. Funding for this adjustment is from the animal health account.

DP 25 - Leased Sedan - This new state special revenue appropriation authority funds a leased vehicle for laboratory personnel to use to attend various meetings around the state.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	10.50	.00	2.00	12.50	.00	2.00	12.50	12.50
Personal Services	409,413	13,160	68,577	491,150	11,194	68,103	488,710	979,860
Operating Expenses	131,046	10,071	447,041	588,158	10,018	380,361	521,425	1,109,583
Equipment	24,552	40,761	23,945	89,258	6,270	20,000	50,822	140,080
Benefits & Claims	0	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0	0
Total Costs	\$565,011	\$63,992	\$539,563	\$1,168,566	\$27,482	\$468,464	\$1,060,957	\$2,229,523
State/Other Special	565,011	63,992	314,563	943,566	27,482	243,464	835,957	1,779,523
Federal Special	0	0	225,000	225,000	0	225,000	225,000	450,000
Total Funds	\$565,011	\$63,992	\$539,563	\$1,168,566	\$27,482	\$468,464	\$1,060,957	\$2,229,523

Program Description

The Animal Health Program (the name has been changed from the Disease Control Program) provides diagnosis, prevention, control, and eradication of animal diseases, including those in bison and game farm animals. The program cooperates with the Departments of Public Health and Human Services; Fish, Wildlife and Parks; and Agriculture to protect human health from animal diseases transmissible to humans. Sanitary standards are supervised for animal concentration points, such as auction markets, and certain animal product processing facilities, such as rendering plants. The Rabies Control Unit protects human health from rabies by controlling the transmission of domestic animal and wildlife rabies, particularly by eradicating of skunks.

Funding

The Animal Health Program is funded with 79.8 percent state special revenue. The primary state special revenue funding is from the livestock per capita account. This account receives tax revenue (the tax rate is set by the Board of Livestock) from an assessment to livestock owners. A smaller percentage of state special revenue is received from the animal health account, which receives revenue from testing/inspection fees and other licensing fee income. Federal special revenue provides the remainder of the program funding. The federal funding is for assistance in bison control.

Present Law Adjustments						
Present Law Description		Fiscal 2000 FTE	Fiscal 2000 General Fund	Fiscal 2000 Total Funds	Fiscal 2001 FTE	Fiscal 2001 General Fund
Statewide Present Law						
Personal Services				13,160		11,194
Inflation/Deflation				1,246		1,193
Fixed Costs				0		0
Total Statewide Adjustments				\$14,406		\$12,387
Present Law Adjustments						
15	Equipment - Animal Health	.00	0	40,761	.00	0
34	Out-of-State Travel	.00	0	8,825	.00	0
Total PL Adjustments		.00	\$0	\$49,586	.00	\$0
Present Law Adjustments Total				\$63,992		\$27,482

Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 15 - Equipment - Animal Health - The adjustment provides state special revenue appropriation authority to: 1) replace one vehicle in fiscal 2000, a 1995 GMC pickup that has approximately 130,000 miles; 2) replace a 1996 GMC 1/2 ton pickup in fiscal 2001 that has approximately 128,000 miles; 3) replace three existing computer work stations, one each year, beginning in fiscal 2000; 4) replace computer presentation equipment; 5) purchase animal hair clippers to facilitate the reading of brands and tattoos identifying the animal; and 6) purchase safety equipment to include a fire extinguisher and a first aid kit. The legislature funds this adjustment entirely from the livestock per capita account.

DP 34 - Out-of-State Travel - The legislature increased state special revenue appropriation authority to fund out-of-state travel. The legislature funds the following conferences and number of staff to attend (numbers of would-be attendees are in parentheses): 1) Western States Animal Health Association (1); 2) U.S. Animal Health Association (2); 3) Northwest Livestock Meeting (1); 4) Greater Yellowstone Interagency Brucellosis Committee (2); 5) Western States Livestock Investigators Association (1); 6) Southern State Livestock Investigators Association (1); 7) Livestock Conservation Institute (1); 8) the National Cattlemen's Beef Association (1); 9) Livestock Conservation Institute (1); and 10) the National Cattlemen's Beef Association (1). The legislature funds this increase in travel costs entirely from the livestock per capita account.

New Proposals		Fiscal 2000	Fiscal 2000	Fiscal 2000	Fiscal 2001	Fiscal 2001
Description		FTE	General Fund	Total Funds	FTE	General Fund
1	Alternative Livestock Prog. EIS	.00	0	67,000	.00	0
16	Veterinarian At Large	1.00	0	51,344	1.00	0
26	General Office Clerk	1.00	0	18,412	1.00	0
35	Bison Grounds Operation	.00	0	402,807	.00	0
Total New Proposals		2.00	\$0	\$539,563	2.00	\$0

New Proposals

DP 1 - Alternative Livestock Prog. EIS - The legislature provided a biennial, one-time-only appropriation to the department for the operational portion of alternative livestock programmatic environmental impact statement program review expenses. Funding is from the livestock per capita account. The Department of Fish, Wildlife, and Parks was also appropriated \$134,000 over the biennium for its share of expenses.

DP 16 - Veterinarian At Large - The legislature authorized new state special revenue appropriation authority to convert the board-authorized modified veterinarian position into a permanent position. This 1.0 FTE (grade 19) veterinarian position would be located in Helena. The agency cites workload increases as the requirement for this position. According to the agency, this veterinarian's duties would include: 1) inspecting and working with all livestock auction markets; 2) working with statewide rendering plants; 3) resolving public health issues with rendering plants and producers; 4) working with local veterinarians and providing guidance on disease control issues; and 5) assisting with the bison brucellosis issues and other issues in the central office. This new authority would also provide funding in fiscal 2000 to purchase a personal computer (\$2,500) and office equipment (\$1,000). The new proposal is funded entirely from the animal health account.

DP 26 - General Office Clerk - The legislature added new state special revenue appropriation authority to fund a 1.0 FTE (grade 8) general office clerk. The agency stated they need this additional support position because the bison issue and game farm program have resulted in increased workloads for the administrative personnel. This appropriation also provides funding for a single user computer in fiscal 2000. This present law adjustment is funded entirely from the livestock per capita account.

DP 35 - Bison Grounds Operation - The legislature appropriated \$402,807 in fiscal 2000 and \$403,127 in fiscal 2001 to enable the agency to respond to emergency bison control incidents. This funding includes \$225,000 federal special revenue each year and the remaining state special revenue is from the livestock per capita account. The legislature restricted this appropriation authority and designated it as a one-time-only appropriation.

Language

"The department shall record separately all operating expenses, equipment and capital expenditures related to bison control for all programs in which any resources are expended for that purpose on the statewide budgeting and accounting system in a manner so that those expenditures can be readily derived and shall create a summary report. The department shall provide an annual report, by program, to the Legislative Fiscal Analyst and the Office of Budget and Program planning of all direct expenditures related to bison control."

Program Description

Funding

Present Law Adjustments

DP 37 - Out-of-state Travel - The legislature approved an appropriation increase to fund out-of-state travel.

MILK & EGG PROGRAM

Program Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	63.21	.00	1.00	64.21	.00	2.00	65.21	65.21
Personal Services	2,086,888	6,041	20,733	2,113,662	(2,516)	41,198	2,125,570	4,239,232
Operating Expenses	277,216	22,711	30,400	330,327	22,852	2,600	302,668	632,995
Equipment	123,476	83,414	1,500	208,390	15,096	0	138,572	346,962
Total Costs	\$2,487,580	\$112,166	\$52,633	\$2,652,379	\$35,432	\$43,798	\$2,566,810	\$5,219,189
State/Other Special	2,487,580	112,166	52,633	2,652,379	35,432	43,798	2,566,810	5,219,189
Total Funds	\$2,487,580	\$112,166	\$52,633	\$2,652,379	\$35,432	\$43,798	\$2,566,810	\$5,219,189

Program Description

The Inspection and Control Program, as part of the Brands Enforcement Division, is responsible for livestock theft investigations, stray livestock investigations, brand inspections, recording of livestock brands, filing of security interests on livestock, livestock auction licensing, livestock dealer licensing, hide inspections, and beef inspections.

Funding

The legislature funds this program entirely with state special revenue. The inspection and control account provides 43.1 percent of the funding and receives revenues from livestock license and permit fees, inspection and testing fees, and interest earnings. The livestock per capita accounts fund the other 56.9 percent with revenues from the taxation of livestock (with tax rates set by the Board of Livestock) and interest earnings.

Present Law Adjustments		Fiscal 2000		Fiscal 2000		Fiscal 2001	
Present Law Description		FTE	General Fund	Total Funds	FTE	General Fund	Total Funds
Statewide Present Law							
Personal Services				(47,347)			(55,904)
Inflation/Deflation				72			213
Fixed Costs				0			0
Total Statewide Adjustments				(\$47,275)			(\$55,691)
Present Law Adjustments							
1	Inspection and Control Equipment	.00	0	83,414	.00	0	15,096
40	Out-of-state Travel	.00	0	9,139	.00	0	9,139
43	Utilities -Livestock Markets	.00	0	13,500	.00	0	13,500
44	Brand Inspector Retention	.00	0	53,388	.00	0	53,388
Total PL Adjustments		.00	\$0	\$159,441	.00	\$0	\$91,123
Present Law Adjustments Total				\$112,166			\$35,432

Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 1 - Inspection and Control Equipment - The legislature increased state special revenue appropriation authority to replace six vehicles.

DP 40 - Out-of-state Travel - The legislature added state special revenue appropriation authority to fund an increase in out-of-state travel.

DP 43 - Utilities -Livestock Markets - The legislature added state special revenue appropriation authority to fund increases in utility costs.

DP 44 - Brand Inspector Retention - The legislature increased state special revenue to provide "competency based" pay upgrades for brand inspectors. The upgrades for the brand inspector positions will include: 1) 5.00 FTE inspectors, grade 8; 2) 9.00 FTE inspectors, grade 9; 3) 6.00 FTE inspectors, grade 10; and 4) 6.00 FTE brand inspectors, grade 11. These upgrades will occur when an individual attains a higher level of qualifications to perform at the next grade level. Additionally, upgrades will depend on retention demands and career ladder needs. The legislature funds this adjustment from the livestock per capita account.

New Proposals		Fiscal 2000	Fiscal 2000	Fiscal 2000	Fiscal 2001	Fiscal 2001	Fiscal 2001
Description		FTE	General Fund	Total Funds	FTE	General Fund	Total Funds
14	Brand Re-Record	1.00	0	44,633	2.00	0	43,798
27	Rebinding Records	.00	0	8,000	.00	0	0
Total New Proposals		1.00	\$0	\$52,633	2.00	\$0	\$43,798

New Proposals

DP 14 - Brand Re-Record - The legislature provided new state special revenue appropriation authority for the upcoming re-recording of brands. Every ten years all brand owners are notified by mail to re-record their brands. The agency estimates 70,000 notices will be mailed out in the year 2000. Brand owners will be given until 2001 to send in their re-record fees. The legislature added 1.00 FTE, grade 8 administrative support position in fiscal 2000 and 2.00 FTE, grade 8 positions in fiscal 2001. Additionally, this request includes \$24,000 in mailing costs and \$1,500 to purchase office equipment. The legislature funded this new proposal entirely from the inspection and control account. Additionally, the legislature restricted the appropriation to this specific purpose and designated it as a one-time-only appropriation.

DP 27 - Rebinding Records - The legislature approved new state special revenue funding to purchase contracted services to rebind brand records. Since this is a cyclical expense, the legislature restricted the appropriation and designated it as one-time-only.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	.00	1.00	.00	1.00	1.00	.00	1.00	1.00
Personal Services	223	(223)	0	0	(223)	0	0	0
Operating Expenses	412,201	100,000	0	512,201	100,000	0	512,201	1,024,402
Total Costs	\$412,424	\$99,777	\$0	\$512,201	\$99,777	\$0	\$512,201	\$1,024,402
State/Other Special	412,424	99,777	0	512,201	99,777	0	512,201	1,024,402
Total Funds	\$412,424	\$99,777	\$0	\$512,201	\$99,777	\$0	\$512,201	\$1,024,402

Program Description

The Predator Control Program is operated by the Brands Enforcement Division. Through helicopter hunting and contracts, predators that kill or injure domestic livestock, primarily coyotes, are controlled. Also in this program is state administration of Section 8 of the federal Rangeland Improvement Act. The department acts as the Governor's representative and facilitator in the mediation process among federal agencies such as the U. S. Forest Service, the Bureau of Land Management, and state and private lessees. Section 8 allows for the review of lands covered by allotment management plans.

Funding

The legislature funded this program entirely with state special revenue. The inspection and control account provides 19.5 percent of the funding and receives revenues from livestock license and permit fees, inspection and testing fees, and interest earnings. The livestock per capita accounts fund the other 80.5 percent with revenues from the taxation of livestock (with tax rates set by the Board of Livestock) and interest earnings.

Present Law Adjustments		Fiscal 2000		Fiscal 2000		Fiscal 2001	
Present Law Description		FTE	General Fund	Total Funds	FTE	General Fund	Total Funds
Statewide Present Law							
Personal Services				(223)			(223)
Fixed Costs				0			0
Total Statewide Adjustments				(\$223)			(\$223)
Present Law Adjustments							
21	Contract Aerial Hunting	1.00	0	100,000	1.00	0	100,000
Total PL Adjustments		1.00	\$0	\$100,000	1.00	\$0	\$100,000
Present Law Adjustments Total				\$99,777			

Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 21 - Contract Aerial Hunting - The legislature approved an increase in state special revenue to expand contracted services, which support the aerial predator control initiative. The department contracts with American Damage Control (ADC), a federal entity for pilot services for the operation of the state-owned helicopter. The contracts for helicopter operations are primarily used to hunt predators, specifically coyotes. The legislature approved the agency's request to leave the 1.0 FTE without funding, in case the agency can not contract for these services and has to hire a helicopter pilot.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	16.50	.00	.00	16.50	.00	.00	16.50	16.50
Personal Services	506,280	48,437	0	554,717	46,260	0	552,540	1,107,257
Operating Expenses	159,825	81,818	19,468	261,111	75,653	40,268	275,746	536,857
Equipment	(480)	0	39,732	39,252	0	39,732	39,252	78,504
Debt Service	0	0	0	0	0	0	0	0
Total Costs	\$665,625	\$130,255	\$59,200	\$855,080	\$121,913	\$80,000	\$867,538	\$1,722,618
General Fund	331,890	65,069	29,600	426,559	60,903	40,000	432,793	859,352
State/Other Special	1,668	104	0	1,772	94	0	1,762	3,534
Federal Special	332,067	65,082	29,600	426,749	60,916	40,000	432,983	859,732
Total Funds	\$665,625	\$130,255	\$59,200	\$855,080	\$121,913	\$80,000	\$867,538	\$1,722,618

Program Description

The Meat and Poultry Inspection Program within the Meat, Milk and Egg Inspection Division was established in 1987 by the Montana Meat and Poultry Inspection Act. It implements and enforces a meat and poultry inspection system equal to that maintained by the U.S. Department of Agriculture and the Food Safety Inspection Service to assure clean, wholesome, and properly-labeled meat and poultry products for consumers.

Funding

The Meat and Poultry Inspection Program is funded 49.9 percent from the federal meat/poultry inspection special revenue account from the U.S. Department of Agriculture, and 49.8 percent general fund. The 1993 legislature authorized a funding change, which uses a small amount of state special revenue derived from annual meat establishment license fees. For the 2001 biennium this amount is \$3,534, or less than 1 percent of total funding.

Present Law Adjustments		Fiscal 2000	Fiscal 2000	Fiscal 2000	Fiscal 2001	Fiscal 2001	Fiscal 2001
Present Law Description		FTE	General Fund	Total Funds	FTE	General Fund	Total Funds
Statewide Present Law							
Personal Services				48,437			46,260
Inflation/Deflation				10,289			8,115
Fixed Costs				0			0
Total Statewide Adjustments				\$58,726			\$54,375
Present Law Adjustments							
20	HACCP Lab Testing	.00	5,797	11,594	.00	5,797	11,594
41	Leased Vehicles - Meat Inspection	.00	28,982	57,965	.00	26,982	53,965
48	Training New Inspection System	.00	1,154	2,309	.00	1,154	2,309
49	Rate Reduction	.00	(169)	(339)	.00	(165)	(330)
Total PL Adjustments		.00	\$35,764	\$71,529	.00	\$33,768	\$67,538
Present Law Adjustments Total				\$130,255			\$121,913

Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 20 - HACCP Lab Testing - The legislature increased appropriation authority to expand testing at meat and poultry inspection facilities and funded this adjustment with 50 percent federal funds and 50 percent general fund.

DP 41 - Leased Vehicles - Meat Inspection - The legislature added a one-time-only restricted appropriation to lease

vehicles from the Department of Transportation's motor pool. The legislature funds this adjustment with equal amounts of general fund and federal funds from the meat and poultry inspection account.

DP 48 - Training New Inspection System - The legislature approved a restricted and one-time-only appropriation to fund training on the new Hazard Analysis & Critical Control Point system. The legislature funded this adjustment with equal amounts of general fund and federal special revenue.

DP 49 - Rate Reduction - The legislature reduced the building rental rates and the rate charged by the Information Services Division (ISD) for data network services.

New Proposals						
Description	Fiscal 2000 FTE	Fiscal 2000 General Fund	Fiscal 2000 Total Funds	Fiscal 2001 FTE	Fiscal 2001 General Fund	Fiscal 2001 Total Funds
19 Meat Inspection Automation - USDA	.00	29,600	59,200	.00	40,000	80,000
Total New Proposals	.00	\$29,600	\$59,200	.00	\$40,000	\$80,000

New Proposals

DP 19 - Meat Inspection Automation - USDA - The legislature added new appropriation authority to implement a new meat inspection automation system. Equipment expenditures include the purchase of eight single user computers in each fiscal year. The legislature funded this new system with an equal amount of general fund and federal special revenue.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	4.00	.00	.00	4.00	.00	.00	4.00	4.00
Personal Services	125,512	9,968	0	135,480	9,294	0	134,806	270,286
Operating Expenses	37,825	829	0	38,654	665	0	38,490	77,144
Equipment	0	950	0	950	950	0	950	1,900
Total Costs	\$163,337	\$11,747	\$0	\$175,084	\$10,909	\$0	\$174,246	\$349,330
State/Other Special	163,337	11,747	0	175,084	10,909	0	174,246	349,330
Total Funds	\$163,337	\$11,747	\$0	\$175,084	\$10,909	\$0	\$174,246	\$349,330

Program Description

The Milk Control Bureau is responsible for supervising, regulating, and controlling the milk industry of the state. All matters pertaining to production, processing, storage, distribution, and sale of milk are audited. The program ensures compliance with state laws through minimum producer pricing, fair trade rules, extension of credit, and by enforcing financing prohibitions of the law. It also collects the milk tax used to support milk regulatory and testing functions in the department.

Funding

The legislature funds the Milk Control Bureau from the state special revenue obtained from assessments on Montana milk producers.

Present Law Adjustments		Fiscal 2000		Fiscal 2000		Fiscal 2001	
Present Law Description		Fiscal 2000 FTE	Fiscal 2000 General Fund	Fiscal 2000 Total Funds	Fiscal 2001 FTE	Fiscal 2001 General Fund	Fiscal 2001 Total Funds
Statewide Present Law							
Personal Services				9,968			9,294
Inflation/Deflation				1,125			954
Fixed Costs				0			0
Total Statewide Adjustments				\$11,093			\$10,248
Present Law Adjustments							
23	Milk Control Equipment	.00	0	950	.00	0	950
24	Rate Reduction	.00	0	(296)	.00	0	(289)
Total PL Adjustments		.00	\$0	\$654	.00	\$0	\$661
Present Law Adjustments Total				\$11,747			\$10,909

Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 23 - Milk Control Equipment - Appropriation authority was added to replace office furniture in both years of the biennium. The legislature funds this adjustment with state special revenue collected from assessments on milk producers.

DP 24 - Rate Reduction - The legislature reduced the building rental rates and the rate charged by the Information Services Division (ISD) for data network services.